

5:05cv265

Defendants.

ORDER

-1-

- (1) defendant failed to inform this court in a seasonable manner of the dissolution of such corporation, which is a violation of Rule 25, Federal Rules of Civil Procedure, inasmuch as corporate dissolution is the equivalent of death of an individual party;
- (2) defendant violated the initial disclosure requirements of Rule 7.1, Federal Rules of Civil Procedure, which requires that a

corporate party to an action or proceeding in a district court must file two copies of a statement that identifies any parent corporation and any publicly held corporation that owns 10% or more of its stock or states that there is no such corporation . . . [with] “its first appearance, pleading, petition, motion, response, or other request addressed to the court

Fed.R.Civ.P. 7.1(a) &(b)(1). Defendant first appeared in this matter by filing its Answer to the Amended Complaint on August 29, 2006. The Answer was not accompanied by the required disclosure statement;

- (3) defendant violated Rule 7.1 (b)(2), which provides that defendant must “promptly file a supplemental statement upon any change in the information that the statement requires.” Fed.R.Civ.P. 7.1(b)(2). Had such a statement been initially filed, defendant would have been obligated to inform this court of such dissolution seasonably in September 2006; and
- (5) had such statement been completed, plaintiff would have been provided with information relevant to the now pending Motion to Amend.

Thus, while the court respects defendants’ professional judgment that it is likely to succeed on its objections, the judgment of the undersigned is to the contrary. Indeed, the LLC’s conduct in this matter was so egregious and resulted in harm to the administration of justice such that the court would have imposed substantial sanctions absent the professionalism of its counsel.

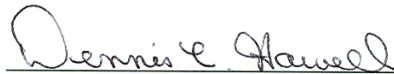
While it is certainly possible that the previous Order of this court may be found to be “clearly erroneous or contrary to law,” Fed.R.Civ.P. 72(a), the undersigned does

find such a “probability” as to justify the further delay of this case.

ORDER

IT IS, THEREFORE, ORDERED that defendants’ Motion to Stay Pending Appeal (#34) is **DENIED**.

Signed: August 30, 2007



Dennis L. Howell
United States Magistrate Judge

